

Message

**From:** Wiser, Nathan [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F7333BDCD2DF46C1976275004E7AB7E2-WISER, NATHAN]  
**Sent:** 11/9/2022 3:53:13 PM  
**To:** Hall, Casey [Casey.Hall@meritenergy.com]  
**CC:** Hagge, Chris [Chris.Hagge@meritenergy.com]; Brister, Chad [Chad.Brister@meritenergy.com]; Lampard, Melissa [Melissa.Lampard@meritenergy.com]; Zilmer, Dan [Dan.Zilmer@meritenergy.com]  
**Subject:** RE: P&A Actual Costs - Circle Ridge Injection Wells

Thank you Casey. Very useful.

--Nathan Wiser, Environmental Scientist  
U.S. EPA Region 8  
1595 Wynkoop Street (mail code 8ENF-W-SD)  
Denver, Colorado 80202  
Email: [wiser.nathan@epa.gov](mailto:wiser.nathan@epa.gov)  
Office: 303-312-6211

For information about the EPA R8 UIC Program: <https://www.epa.gov/uic/underground-injection-control-epa-region-8-co-mt-nd-sd-ut-and-wy>

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**From:** Hall, Casey <Casey.Hall@meritenergy.com>  
**Sent:** Wednesday, November 9, 2022 8:48 AM  
**To:** Wiser, Nathan <Wiser.Nathan@epa.gov>  
**Cc:** Hagge, Chris <Chris.Hagge@meritenergy.com>; Brister, Chad <Chad.Brister@meritenergy.com>; Lampard, Melissa <Melissa.Lampard@meritenergy.com>; Zilmer, Dan <Dan.Zilmer@meritenergy.com>  
**Subject:** RE: P&A Actual Costs - Circle Ridge Injection Wells

Good Morning Nathan-

In response to your question regarding the plugging costs incurred at Circle Ridge, please see the table below. I have also provided the split between the costs borne by third-party contractors and direct Merit costs. The Merit related costs primarily consisted of onsite supervision of the ongoing work along with the efforts of our staff to obtain the contractor bids, coordinate the jobs, and obtain the proper permits and approvals.

EPA Permit/ID No.	Well Name	Total Cost	Non-Merit	Merit
WY20000-02177	Shoshone 65-38	\$37,455.22	\$34,827.22	\$2,628.00
WY20000-02179	Shoshone 65-41	\$37,765.96	\$34,612.96	\$3,153.00
WY20521-02119	Shoshone 65-77A	\$35,223.14	\$32,295.14	\$2,928.00
WY20837-02175	Shoshone 65-68	\$37,485.95	\$34,432.95	\$3,053.00
WY20000-02169	Shoshone 65-20	\$44,360.54	\$39,732.54	\$4,628.00
WY20000-02170	Shoshone 65-25	\$37,762.90	\$35,209.90	\$2,553.00
WY20000-02182	Shoshone 65-42	\$35,553.07	\$33,000.07	\$2,553.00

While these costs can be helpful to understand the costs of plugging at the Steamboat field, I would like to point out that the Steamboat wells will be quite a bit more expensive due to the additional depth. Steamboat wells are three to four times as deep as compared to Circle Ridge which will increase the time and materials required for each job. We took the time to put together an estimate to plug the Tribal C-10 well at Steamboat (along with a third-party quote from the primary contractor used to plug the Circle Ridge wells, attached). We estimate that the Tribal C-10 well at Steamboat will cost approximately \$80,000 (including about \$4,000 of Merit provided services).

If you have any other questions, please let me know.

**Casey Hall**

**Merit Energy Company**

13727 Noel Road, Suite 1200

Dallas, TX 75240

Cell: (214) 957-1502

Office: (972) 628-1440

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**From:** Wiser, Nathan <[Wiser.Nathan@epa.gov](mailto:Wiser.Nathan@epa.gov)>  
**Sent:** Wednesday, November 2, 2022 4:11 PM  
**To:** Hall, Casey <[Casey.Hall@meritenergy.com](mailto:Casey.Hall@meritenergy.com)>  
**Subject:** RE: P&A Actual Costs - Circle Ridge Injection Wells

EXTERNAL EMAIL

Thank you Casey.

--Nathan Wiser, Environmental Scientist  
U.S. EPA Region 8  
1595 Wynkoop Street (mail code 8ENF-W-SD)  
Denver, Colorado 80202  
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**From:** Hall, Casey <[Casey.Hall@meritenergy.com](mailto:Casey.Hall@meritenergy.com)>  
**Sent:** Wednesday, November 2, 2022 3:10 PM  
**To:** Wiser, Nathan <[Wiser.Nathan@epa.gov](mailto:Wiser.Nathan@epa.gov)>  
**Subject:** RE: P&A Actual Costs - Circle Ridge Injection Wells

Hey Nathan,

I have not forgotten about you, but we are putting the costs together and should have them to you early next week. I am out of the office Thursday and Friday

**Casey Hall**

**Merit Energy Company**

13727 Noel Road, Suite 1200

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**From:** Wiser, Nathan <[Wiser.Nathan@epa.gov](mailto:Wiser.Nathan@epa.gov)>  
**Sent:** Monday, October 31, 2022 8:25 AM  
**To:** Hall, Casey <[Casey.Hall@meritenergy.com](mailto:Casey.Hall@meritenergy.com)>  
**Subject:** P&A Actual Costs - Circle Ridge Injection Wells

EXTERNAL EMAIL

Hi Casey,

I'm asking Merit to share with EPA the actual costs incurred plugging seven Class II injection wells (see below) located within the Circle Ridge oilfield, WY. I ask because this data will be useful to the Wind River Energy Commission as they prepare for the transfer of the Steamboat Butte injection wells. Merit has had in place financial responsibility (FR) for the Circle Ridge and Steamboat Butte injection wells. Upon effective operator transfer, including FR coverage, of the remaining injection wells from Merit to the Wind River Energy Commission, Merit would be eligible to have its FR responsibility released by the EPA. An FR cost estimate based on actual, recent plugging costs, such as Merit recently incurred for the Circle Ridge wells, would be helpful for this endeavor. To be most helpful, EPA would need to understand whether any of the costs incurred were borne by Merit personnel or equipment or if the plugging cost was entirely "farmed out" to one or more third parties. In other words, how much of the actual plugging cost was absorbed using Merit's personnel or equipment? EPA would not likely be able to use in-house personnel or equipment were EPA required to plug these injection wells and so that must be accounted for in the FR instrument amount.

Thank you for information you can provide.

**Circle Ridge Wells Recently P&A'd:**

<u>EPA Permit/ID No.</u>	<u>Well Name</u>
WY20000-02177	Shoshone 65-38
WY20000-02179	Shoshone 65-41
WY20521-02119	Shoshone 65-77A
WY20837-02175	Shoshone 65-68
WY20000-02169	Shoshone 65-20
WY20000-02170	Shoshone 65-25
WY20000-02182	Shoshone 65-42

--Nathan Wiser, Environmental Scientist  
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